

**HB**

**305**

<TARGET><BILL>HB 305</BILL><SUBJECT>HB  
305</SUBJECT><COMM>SFIN28</COMM></TARGET>

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/26/14

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

**Finance Committee** considered CS FOR HOUSE BILL NO. 305(FIN)

## HB 305 JUNK DEALER & METAL SCRAPER LICENSING

"An Act relating to the records of metal scrappers; repealing the requirement that a junk dealer or metal scrapper obtain a license; and providing for an effective date."

and recommends:

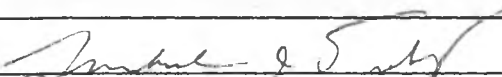
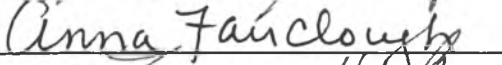

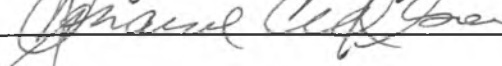
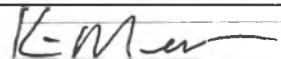
- [ ] be replaced with SCS \_\_\_\_\_ (\_\_\_\_\_) [ ] Same Title [ ] Technical Title Change  
[ ] New Title/SCR No. \_\_\_\_\_
- [ ] adopt previous SCS \_\_\_\_\_ (\_\_\_\_\_) [ ] Same Title [ ] Technical Title Change  
[ ] New Title/SCR No. \_\_\_\_\_
- [ ] attached amendment(s)
- [ ] adopt \_\_\_\_\_ Letter of Intent
- [ ] further referral to \_\_\_\_\_ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
COR			✓	1
REV			✓	2

[ ] APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	Do PASS	Do NOT PASS	NO REC	AMEND
	DUNLEAVY			✓	
	FAIRCLOUGH	✓			
	HOFFMAN	✓			
	OLSON			✓	
CO-CHAIR:					
CO-CHAIR: 	MEYER	✓			

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: CSHB 305(FIN)  
Fiscal Note Number: 1  
(H) Publish Date: 3/21/14

Identifier: HB305CS(FIN)-DOC-OC-03-20-14  
Title: JUNK DEALER & METAL SCRAPER LICENSING  
Sponsor: CHENAULT  
Requester: House Finance

Department: Department of Corrections  
Appropriation: Administration and Support  
Allocation: Office of the Commissioner  
OMB Component Number: 694

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
---------------------------	--	--	--	--	--	--	--

**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

This note reflects changes made in House Finance.

Prepared By:	April Wilkerson, Director	Phone:	(907)465-3460
Division:	Administrative Services - Department of Corrections	Date:	03/20/2014 05:45 PM
Approved By:	Leslie Houston, Deputy Commissioner	Date:	03/20/14
Agency:	Department of Corrections		

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. CSHB 305(FIN)

**Analysis**

This legislation imposes new record keeping requirements on the sale of scrap metal. Among other things, the record of the sale must include the time, date, location, and value of the metal purchased, the name address and telephone number of the person who sold the metal to the dealer, and a description of the metal purchased.

Failure to comply with these requirements is a class A misdemeanor. Class A misdemeanors are punishable by up to one year of imprisonment. At this time it is not known how many individuals would be incarcerated as a result of this legislation. However, the Department could see a fiscal impact of \$0 (no days served) to \$57914.55 (one year served) for each class A misdemeanor conviction under this legislation. The Department will continue to monitor the future impacts of this legislation.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: CSHB 305(FIN)  
Fiscal Note Number: 2  
(H) Publish Date: 3/21/14

Identifier: HB305CS(FIN)-DOR-TAX-03-21-14  
Title: JUNK DEALER & METAL SCRAPER LICENSING  
Sponsor: CHENAULT  
Requester: HFIN

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Tax Division  
OMB Component Number: 2476

### Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Fund Source (Operating Only)

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Positions

Full-time								
Part-time								
Temporary								

### Change in Revenues

--	--	--	--	--	--	--	--	--

**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

### ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

### Why this fiscal note differs from previous version:

Updated analysis for CS(FIN).

Prepared By:	Matt Fonder, Director	Phone:	(907)269-6628
Division:	Tax	Date:	03/20/2014 04:30 PM
Approved By:	Angela M. Rodell, Commissioner	Date:	03/21/14
Agency:	Department of Revenue		

FISCAL NOTE ANALYSIS #2

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. CSHB 305(FIN)

**Analysis**

**Bill Language:**

This bill would require a scrap metal dealer to maintain certain records when purchasing over \$100 in scrap metal from another person. The bill also requires the dealer to obtain a signed statement that the scrap metal is not stolen property. The scrap metal dealer is required to keep these records for a period of 5 years, and make them available for inspection by law enforcement during regular business hours. The bill also makes it a crime for a person to make false entries on the records referenced above.

Finally the bill repeals AS 08.60.010 which requires a junk dealer or metal scrapper to obtain a license.

**Revenues:**

The provisions of this bill will have no effect on state revenues. DOR combed through all of its Revenue Sources Books as far back as 1970, and was unable to find a line item for the junk dealer/metal scrapper license fees .

It does not appear that any of these types of licenses have been issued for many decades.

**Expenditures:**

The department can implement the provisions of this bill with existing resources.

**Regulations:**

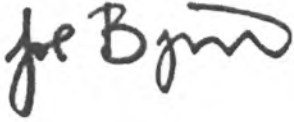
N/A.

**Doniece Gott**

---

**From:** Sen. Pete Kelly  
**Sent:** Tuesday, April 01, 2014 10:24 AM  
**To:** Senate Finance Committee  
**Subject:** FW: Support for CSHB305 Scrap Metal Legislation

Public testimony



Joe Byrnes  
Staff for Senator Pete Kelly  
907-456-3709



---

**From:** Miller, Mike [<mailto:Mike.Miller@qcinc.com>]  
**Sent:** Tuesday, April 01, 2014 09:55  
**To:** Sen. Pete Kelly; Sen. Kevin Meyer; Sen. Anna Fairclough; Sen. Mike Dunleavy; Sen. Click Bishop; Sen. Lyman Hoffman; Sen. Donny Olson  
**Cc:** Rep. Bill Stoltze  
**Subject:** Support for CSHB305 Scrap Metal Legislation

Senators:

I am writing to strongly support of CSHB305.

In the since 2012 Granite Construction Company's facilities have been the target copper wire thefts on three separate occasions. The replacement value of the wire stolen was approximately \$65,000 and the labor involved to rewire our facilities was approximately \$33,750 (450 man-hours). Prior to 2012, other thefts occurred but we are lacking records to determine their magnitude. These costs effectively raise the prices that we pass on to our primary customer, Alaska Department of Transportation & Public Facilities.

Passage of CSHB305 will go a long way reduce metal theft.

Thank you for your service to Alaska.

Mike

**Michael D. Miller**

Business Development Manager/Estimator

Alaska Region-Granite Construction Company

Direct 907.267.5273 | Cell 907.229.7838 | Fax 907.344.1562

[Mike.Miller@gcinc.com](mailto:Mike.Miller@gcinc.com) | [www.graniteconstruction.com](http://www.graniteconstruction.com)

**GRANITE**



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# Alaska State Legislature

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145 Main St. Loop  
Second Floor  
Kenai, Alaska 99611  
Phone: 907-283-7223  
Fax: 907-283-7184

## REPRESENTATIVE MIKE CHENAULT SPEAKER OF THE ALASKA STATE HOUSE

### SECTIONAL ANALYSIS

**COMMITTEE SUBSTITUTE for HOUSE BILL 305 (FIN):** *"An Act relating to the records of metal scrappers; repealing the requirement that a junk dealer or metal scrapper obtain a license; and providing for an effective date."*

#### Section 1

Establishes new recordkeeping requirements for the sale of scrap metal. The list was developed by a working group of contractors, utilities and scrap metal dealers following a review of other states' laws. The main purpose of this section is to provide a deterrent and equip law enforcement with additional tools to pursue metal theft in a manner which is not overly burdensome to business.

AS 08.60.200 requires each in-person sale of scrap metal of \$100 or more to obtain basic information about the sale, seller, and materials being sold. The list includes:

- (1) The date, time, location, and value of the scrap metal purchased.
- (2) The name of the dealer's employee handling the transaction.
- (3) The name, address, and telephone number of the person selling the scrap metal.
- (4) A description of the vehicle, include license plate number.
- (5) Seller's driver's license number or other photo identification.
- (6) The business license number, if the seller is a business.
- (7) A description, including weight and quantity of the scrap metal.
- (8) Attestment the metal isn't stolen property.

AS 08.60.210 establishes the specific requirement for the signed statement. Under this section, the seller is required to sign a statement for sales of \$100 or more indicating that the scrap metal is not stolen property.

AS 08.60.220 requires the seller to make the records indicated above available for inspection by law enforcement.

AS 08.60.230 requires scrap metal dealers to maintain the records indicated above for five years following the date of the transaction.

AS 08.60.240 provides an exemption from the record requirements under AS 08.60.200 and AS 08.60.210 if a scrap metal dealer's transaction is with an individual who has previously established a business relationship. Specifically, the seller would need to maintain on file with the dealer their name, address, telephone number and a taxpayer identification number or other government issued photo identification. The purpose of this section is to streamline the process for individuals who are frequent customers of scrap metal dealers by considering the information on file as sufficient to satisfy the recordkeeping requirements in AS 08.60.200 and AS 08.60.210 of this Act.

AS 08.60.250 establishes a criminal penalty for anyone failing to comply or making false entries for records required in this Act.

AS 08.60.290 establishes new definitions, including the definition of scrap metal.

### **Section 2**

Section 3 of the bill repeals AS 08.60.010, requiring an annual license of junk dealers and metal scrappers. This statute has been on the books since before statehood and Department of Revenue has indicated they have not been able to identify any licenses issues under this section in over 20 years. The statute was discovered during research of how to implement the requirements in this act. AS 08.60.010 serves no public purpose.

### **Section 3**

Establishes a January 1, 2015 effective date.



# LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature  
Division of Legal and Research Services  
State Capitol, Juneau, AK 99801

(907) 465-3991 phone  
(907) 465-3908 fax  
[research@legis.state.ak.us](mailto:research@legis.state.ak.us)

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## Research Brief

TO: Representative Mike Chenault  
FROM: Patricia Young, Manager  
DATE: February 17, 2014  
RE: Department of Revenue Responsibility for Licensing of Junk Dealers and Metal Scrapppers  
*LRS Report 14.252*

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***You asked for background information to explain the reason that, under AS 08.60.010, the Department of Revenue is responsible for licensing of junk dealers and metal scrapppers.***

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Because the licensing of junk dealers and metal scrapppers involved the payment of fees, the Department of Revenue inherited the provision through passage of duties from territorial offices to the newly created state offices. The Department of Revenue does not issue such licenses; instead, the Office of Business Licensing within the Department of Commerce, Community and Economic Development deals with junk dealers and metal scrapppers.

The law requiring junk dealers and metal scrapppers to obtain a license was originally enacted in 1939. At that time, individuals involved in those professions were to apply and pay for the license to the Territorial Treasurer.<sup>1</sup> In 1949, with the publication of the Alaska Compiled Laws Annotated, the licensing office had changed (without explanation or apparent intervening legislation) to the Territorial Tax Commissioner.

Under Section 10 of the State Organization Act of 1959, the authority and functions previously held and performed by the Department of Taxation, the Commissioner of Taxation, the Department of Finance, the Director of Finance, and the Treasurer, "with respect to receipt, custody, investment and management of state funds . . ." were transferred to the newly created Department of Revenue.<sup>2</sup>

Under Section 14 of the same act, the Department of Commerce was vested with

. . . duties, powers and responsibilities involved in the administration of the state programs relating to commerce . . . and the furnishing of the budgeting, clerical and administrative services for regulatory agencies and professional and occupational licensing boards not otherwise provided for in this Act.

That the duty was not assigned to, but nevertheless performed by, the newly created Department of Commerce appears to have been because of the collection of fees, or possibly, because it was overlooked.

We hope this is helpful. If you have questions or need additional information, please let us know.

---

<sup>1</sup> Chapter 24 Laws of Alaska 1939.

<sup>2</sup> Section 10, Chapter 64 SLA 1959.

# Ticket Number TINTZJ

Find ticket





recycling  
today

# SCRAP THEFT COMPLIANCE GUIDE

A reference guide to the materials theft regulations affecting scrap recyclers throughout the United States.

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## FILLING IN THE HOLES













In 2009, when the *Recycling Today* staff first published the "Scrap Theft Compliance Guide," we observed that federal materials theft legislation had been mostly pushed aside by the U.S. Congress, leaving scrap metal recyclers to face a patchwork of state and local regulations that dictate how they must operate their businesses. While federal materials theft legislation still lags behind other national issues in the eyes of Congress, it would appear scrap dealers continue to work determinedly to keep stolen materials out of the markets. Additionally, the Institute of Scrap Recycling Industries Inc. (ISRI), Washington, D.C., maintains a list of best practices for scrap dealers as well as ScrapTheftAlert.com, a website that allows dealers to alert law enforcement to materials theft. Across the country, task forces have emerged to strengthen the laws in their communities.

The following pages contain a state-by-state regulatory compliance guide to aid scrap dealers in complying with the various requirements contained in state anti-metals-theft legislation as well as a quick-reference chart illustrating the numerous requirements. When we last published this guide, five states had yet to pass some form of anti-metals-theft legislation that affects the record-keeping requirements or overall operations of scrap dealers' businesses. In our research, we found that three of those five states have enacted some form of legislation, leaving Alaska and North Dakota as the last two states yet to enforce requirements that would affect how scrap dealers run their operations. However, authorities in North Dakota have been implementing a seven-day tag-and-hold policy on a case-by-case basis. As well, in the three years since we first published this guide, several states, including Ohio, Florida, Alabama and Georgia, have passed additional legislation. Metals theft and the proliferation of regulations that have arisen as a result remain a frustrating burden on U.S. scrap processors.

To update this guide, *Recycling Today* staff reviewed online databases for state legislatures across the country. As state anti-metals-theft laws continue to emerge or to be revised, we may not have included late-breaking changes in this edition of the "Scrap Theft Compliance Guide." If you are aware of an important regulation in the state in which you operate, please email Assistant Editor Kelley Stoklosa at [kstoklosa@rie.net](mailto:kstoklosa@rie.net). Also, this compliance guide does not include specific city and county ordinances, therefore the *Recycling Today* staff would like to remind readers to consult with their local authorities.



	 Payment Restrictions	 Fingerprints	 Video	 Tag & Hold	 ID information	 License Plate No./Vehicle Description	 Photo of Material	 Photo of Seller	 Notify Local Authority	 NMVTIS Reporting	 Scrap Dragon, EZ Cash and JPEgger Handle It
Alabama	●	●	●	●	●	●	●	●	●	●	●
Alaska										●	●
Arizona	●	●	●	●	●	●	●		●	●	●
Arkansas	●	●	●	●	●	●	●	●	●	●	●
California	●	●	●	●	●	●	●	●	●	●	●
Colorado				●	●	●			●	●	●
Connecticut			●	●	●	●	●	●	●	●	●
Delaware			●	●	●	●	●	●	●	●	●
Florida	●	●	●	●	●	●			●	●	●
Georgia	●		●	●	●	●	●	●	●	●	●
Hawaii	●		●	●	●	●	●	●	●	●	●
Idaho	●			●		●			●	●	●
Illinois	●			●	●	●		●	●	●	●
Indiana			●	●	●	●	●	●	●	●	●
Iowa					●	●			●	●	●
Kansas		●		●	●	●			●	●	●
Kentucky			●	●	●	●		●	●	●	●
Louisiana	●			●	●	●	●		●	●	●
Maine	●		●	●	●				●	●	●
Maryland	●			●	●	●			●	●	●
Massachusetts			●	●	●	●	●		●	●	●
Michigan		●	●	●	●	●		●	●	●	●
Minnesota	●		●	●	●	●	●	●	●	●	●
Mississippi	●		●	●	●	●	●	●	●	●	●
Missouri	●		●	●	●	●			●	●	●

	 Payment Restrictions	 Fingerprints	 Video	 Tag & Hold	 ID Information	 License Plate No./Vehicle Description	 Photo of Material	 Photo of Seller	 Notify Local Authority	 NMVTIS Reporting	 Scrap Dragon, EZ Cash and JPEGger Handle It
Montana				●	●	●			●	●	●
Nebraska	●	●	■	●	●	●	●		●	●	●
Nevada	●	●	●	●	●	●	●	●	●	●	●
New Hampshire				●	●	●			●	●	●
New Jersey			●	●	●	●	●		●	●	●
New Mexico			●	●	●	●	●	●	●	●	●
New York				●	●	●			●	●	●
North Carolina	●	●		●	●	●			●	●	●
North Dakota										●	●
Ohio	●		●	●	●	●	●	●	●	●	●
Oklahoma	●		●	●	●	●	●	●	●	●	●
Oregon	●		●	●	●	●	●	●	●	●	●
Pennsylvania			●	●	●	●	●	●	●	●	●
Rhode Island				●	●				●	●	●
South Carolina	●	●	●	●	●		●	●	●	●	●
South Dakota				●	●				●	●	●
Tennessee	●	●			●	●		●	●	●	●
Texas	●	●	●	●	●	●	●	●	●	●	●
Utah	●	●	●	●	●	●		●	●	●	●
Vermont				●					●	●	●
Virginia	●			●	●	●			●	●	●
Washington	●	●		●	●	●			●	●	●
West Virginia					●	●			●	●	●
Wisconsin					●	●		●	●	●	●
Wyoming					●	●			●	●	●

## Tom Wright

---

**From:** Wilcox, Lacy J (DOR) <lacy.wilcox@alaska.gov>  
**Sent:** Tuesday, February 18, 2014 11:49 AM  
**To:** Tom Wright  
**Subject:** In response to your inquiry on 08.60

Dear Tom:

Below in italics is the research done by our Economic Group. We know for sure we haven't issued a license in at least 20 years, and would likely need to go into paper archives to see about prior to that (but 20+ year veterans of the Tax Division don't recall this ever being a source). It looks like one of our economists tracked it back to 1970 and can't find anything that shows that we've ever issued a license.

*The terms "metal scrapper" and "junk dealer" are not used elsewhere in the statutes or in the administrative code, but "junk yard" is used elsewhere (including in a section immediately following the one in question). Other sections of the statutes give the authority to regulate "junk yards" to DPS. There is no statutory definition of "metal scrapper" or "junk dealer" or description of how they may differ from "junk yards." Neither term appears in session laws dating back to 1981, so the statute must be from before then.*

*In old Revenue Source Books, every single revenue source was given a line - including things like embalmer's license fees and cattle branding fees. There is no line for junk dealer licenses going as far back as 1970, which is the oldest book I can find. AS 19.27.030 on "junk yards" exempts facilities in existence before 1968 from certain requirements, so my guess is that a statute was passed around then that changed the regulation of junk yards but neglected to delete the older statute. It certainly does not appear that DOR has issued this license for a very long time.*

Please let me know if there is anything else you need on this.

Thank you,  
Lacy

**Lacy Wilcox**  
*Special Assistant  
Department of Revenue  
907.465.2301*

**Article 01. JUNK DEALER AND METAL SCRAPER LICENSING**

**Sec. 08.60.010. License required; violation of section a misdemeanor.** A person may not engage in the business of junk dealer or metal scrapper in this state without obtaining an annual license from the Department of Revenue. A person who violates this section is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$100 or imprisonment for not more than 90 days.

Unique Ticket Number



Ticket # TINTZJ

Vehicle License Plate Number

PURCHASE TICKET

Schnitzer Steel - Anchorage  
9705 King Street  
Anchorage, AK 99515 US

Transaction Date

Customer Name and Address

Ticket # TINTZJ  
Vehicle ID: ABC123

Date: 03/12/14  
Ship Date: 03/12/14

Driver License Number And Issuer

Vehicle No: TK 1

License/ID No: 1234567 (AK)

Purchased From: CP014P  
NANOOK OFFTHEHOOK  
987 GLACIER WAY  
COLDFOOT, AK 99701

Schnitzer Employee

Item Shpmt Material	Pounds		Adj	Pd Wt
	Gross	Tare		
1. TINTZJ TIN/LIGHT IRON	20m	5m	0	15
Totals			0	15

Gross Wght Date/Time 03/12/14 13:49  
Tare Wght Date/Time 03/12/14 13:49

Weighmaster Signature  
(Beth Munson)

Sworn Statement of Ownership

Customer Signature

(All weights are reported in Pounds unless otherwise indicated)  
(All non-Pound weights are assumed to be manual weights)  
(a=Scale 1 b=Scale 2 c=Scale 3 d=Scale 4 m=Manual Weight)

I affirm under penalty of law that the property I am selling in this transaction is not, to the best of my knowledge, stolen property and I am the lawful owner and can convey legal title to Purchaser/Payer. I warrant that this material does not contain any hazardous substances as defined by the federal and/or state law, and I agree to indemnify Purchaser/Payer if this is untrue.

DISCLAIMER AND WAIVER OF LIABILITY  
Disclaimer and Waiver of Liability for present and future deliveries. For mutual consideration the customer and driver acknowledge and assume the risk involved in discharging scrap metal in the yard. The customer and driver release discharge and hold harmless Schnitzer Steel Industries, Inc., its employees and its insurance carrier from any and all liability for damages both to person and property including but not limited to damage to motor vehicles while driving through the yard or loading or unloading scrap metal in the yard in connection with present and future delivery of scrap.

## 2014 legislative agenda

Chugach will be discussing a range of issues with legislators during the second session of the 28th Legislature.

### Grid unification

For decades much of the planning and operation of the Railbelt generation and transmission system was done by Chugach on behalf of itself and the three other utilities that purchased power under wholesale contracts. With both Homer Electric Association and Matanuska Electric Association choosing to build their own generation and go on their own as their contracts expire, challenges have emerged for the interconnected regional grid.

Chugach has been working with other utilities and the Alaska Energy Authority on

strategies to optimize the reliable generation and transmission of electricity for Alaskans throughout the region. After studying the evolution of grids in the Lower 48, Chugach has determined that creating an Independent System Operator for the Railbelt may be the best way forward. An ISO is a non-profit independent cooperation representing stakeholders that performs vital functions, including:

- Mandate non-discriminatory open access transmission
- Enforce reliability standards
- Plan transmission additions and upgrades
- Manage the interconnection of new generation
- Develop a single transmission charge for the

regional grid

- Resolve transmission congestion
- Maximize generation efficiency

Chugach will be discussing the ISO concept with legislators this session. The best course of action may be legislation directing that the Regulatory Commission of Alaska task the utilities with devising a plan to meet specific objectives like those noted above.

### Capital projects

Through its membership in the regional generation & transmission organization known as ARCTEC (Alaska Railbelt Cooperative Transmission & Electric Company), Chugach is supporting funding for the following capital projects:

\$24 million for the State's half of the Battle Creek diversion at the Bradley Lake Hydroelectric Project

\$4.5M to rebuild the 115-kilovolt transmission line between Silvertip Creek and the Hope Substation

\$4.5M to rebuild the 115-kv transmission line between Powerline Pass and Indian.

\$4M for work on a Fossil Creek Substation on the Eklutna transmission line.

### Watana hydro project

Chugach continues to support the efforts by the Alaska Energy Authority to advance plans for a major new hydroelectric project for the Railbelt.

*See Legislative, page 2*

## Copper theft at substation dangerous and costly

In July 2013 Chugach discovered that metal thieves had cut the fence to gain access to the Daves Creek Substation near Cooper Landing. Once inside, they proceeded to cut and remove a number of copper ground wires on electrical structures and equipment within the substation. Ground wires are safety features that ensure that any voltage or current that inadvertently energizes equipment or fencing is safely dissipated through the ground grid. Removing the ground wires creates a potential shock/electrocution hazard

for both utility workers and members of the public. In the Lower 48, thieves have been electrocuted trying to steal metal from substations.

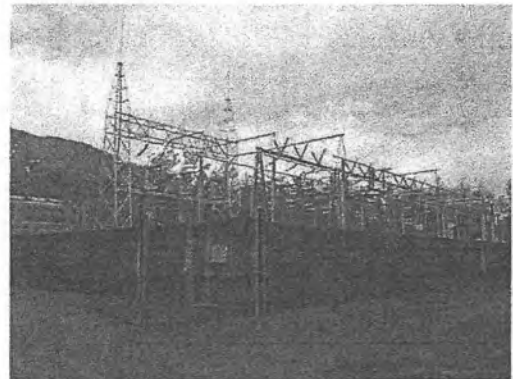
More than likely, the stolen copper was sold for scrap. Utilities around the country have suffered from this type of theft in recent years. Homer Electric Association was also the victim of copper theft at one of its substations on the Kenai Peninsula last year.

For Chugach and its customers, the theft was not just

dangerous. It cost \$9,200 for material and labor to replace the stolen wire and repair the substation. It also caused 80 minutes of outage time for customers in Cooper Landing and Moose Pass.

Chugach and other organizations will be seeking legisla-

tion to address metals theft in 2014.



*In 2013 thieves stole copper ground wires from the Daves Creek Substation near Cooper Landing.*

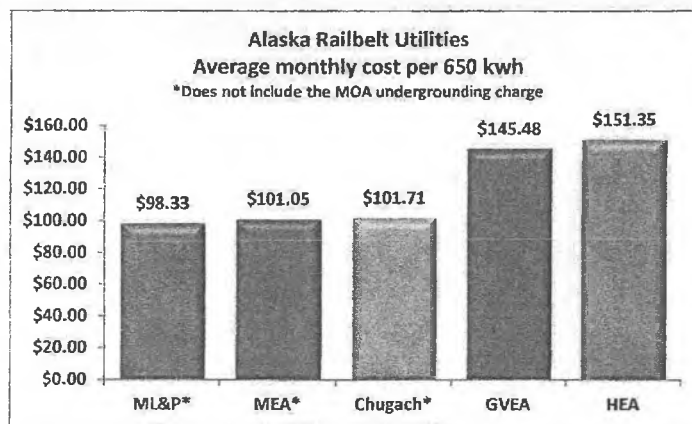
## RCA approves rate changes

In January the Regulatory Commission of Alaska approved changes to both base rates and the fuel and purchased power charges for Chugach customers.

The change to base rates was driven by Homer Electric Association leaving the Chugach system when its contract to buy wholesale power expired

at the end of 2013. HEA customers also saw increases in their January bills as the Kenai-Peninsula-based cooperative began paying for natural gas for its power plants.

The graph shows the cost of 650 kwh of residential service for customers of five different Railbelt utilities. (186077)



## Check out a 'Kill-A-Watt' Meter today at Chugach



Ever wonder how much electricity your refrigerator or another appliance uses per year? You don't have to wonder any longer.

As a Chugach member, you may borrow a Kill-A-Watt meter for up to two weeks. Any home electrical device, using a standard 120 volt plug, can be inserted into the meter to determine the power consumption and projected cost of

the device on an hourly, daily, weekly or yearly basis.

These easy-to-use devices are a great tool to help inform you how much an appliance, such as your refrigerator, adds to your electric bill, and

whether it's time to upgrade to more efficient products. Stop by the Chugach office to check out your Kill-A-Watt meter today. Please note that the rentals are first come, first serve.

## Legislative (cont'd from page 1)

### RCA sunset

House Bill 234 would extend the termination date for the RCA to June 30, 2022. Chugach feels the RCA performs a vital public service and its operations should be continued.

### Metals theft

Alaska may be the only state

in the nation that has not yet enacted legislation to address metals theft. In 2013 thieves stole copper from a Chugach substation on the Kenai Peninsula (see story, page 1). Chugach has been working with the Associated General Contractors of Alaska and other organizations on proposed legislation.

## Annual meeting and election notes

Chugach's annual membership meeting will be held on Thursday, May 22, 2014 at the Denaina Civic & Convention Center.

Three directors will be elected to the Chugach board in the upcoming 2014 election. In 2013, members passed a by-law changing board members'

terms from three years to four. As part of that transition, two directors will be elected to 4-year terms and one director to a 3-year term in 2014.

Members who are interested in either meeting with and being considered by the Nominating Committee or running by petition as a director candidate should call 762-4791 to obtain a candidate packet. Candidate applications and resumes for the Nominating Committee's review must be received by 5 p.m., Friday, Feb. 21, 2014.

Candidate nominations should be submitted to:

**Tom Schulman**  
PO Box 196300  
Anchorage, AK 99519-6300  
tom\_schulman@chugachelectric.com

More information and forms may be found at [www.chugachelectric.com](http://www.chugachelectric.com) or by calling 762-4177.

## Contact us

<b>Hours</b>	Monday - Friday 8 a.m. - 5 p.m.
Main number	563-7494
Toll free	(800) 478-7494
Member Services	563-7366
Member Services fax	762-4678
24-hour payment line	762-7803
Credit	563-5060
Power theft hotline	762-4731
Danger tree hotline	762-7227
Street light hotline	762-7676
Underground locates	811
Regulatory Commission of AK or	(800) 390-2782 276-6222
To report a power outage	
In Anchorage	762-7888
Outside Anchorage	(800) 478-7494

**Corporate Mission:** Through superior service, safely provide reliable and competitively priced energy.

**Corporate vision:** Powering Alaska's future

**Personnel policy:** It is a policy of Chugach Electric Association, Inc., to recruit, hire, train, compensate and promote persons without regard to race, color, religion, national origin, sex, marital status, pregnancy, parenthood, disability, veterans status, age or any other classification protected by applicable federal, state, or local law. Chugach is also an equal opportunity/affirmative action employer. Current openings are posted on the employment page at <http://chugachelectric.com>. Chugach only accepts applications for open vacancies.

## The Chugach Outlet

A Publication of Chugach Electric Association, Inc.  
5601 Electron Drive • P.O. Box 196300 • Anchorage, Alaska 99519-6300

### Monthly residential service costs (based on 650 kwh)

Customer charge/month	\$ 8.00
Energy charge \$0.09432 x kwh =	\$61.31
Fuel \$0.03807 x kwh =	\$24.75
Purchased power \$0.00881 x kwh =	\$5.73
FIW renewable energy adj. \$0.00239 x kwh =	\$1.55
<small>Energy charge, Fuel, Purchased power and FIW renewable energy adjustment factors effective Jan. 1, 2014.</small>	
<b>Subtotal</b>	<b>101.34</b>
2% MOA Undergrounding Charge =	\$ 2.03
Regulatory Cost Charge \$0.000578 x kwh =	\$ 0.38
<b>Total bill</b>	<b>\$103.75</b>

### Member number hide-n-seek

Find your member number (in brackets) in the Outlet and get a \$100 credit on your electric bill. Call Chugach's service center at 563-7366 to claim your prize.

**CHUGACH**  
POWERING ALASKA'S FUTURE

**DATE: July 1, 2013**

**Contact:** Tom Parker, Georgia Transmission Corporation  
(770) 270-7050  
tom.parker@gatrans.com

**Enhanced metals theft laws contribute to reduced crime**  
*One year in, Georgia Transmission has seen reduction in copper theft*

TUCKER, Ga. (July 1, 2013) – Georgia Transmission reports a significant reduction in metals theft at the utility’s substations since new state laws were enacted one year ago. Designed to curb a steady rise in metals theft incidents across the state, the enhanced legislation went into effect July 1, 2012.

Over the last year, Georgia Transmission, which builds and maintains high-voltage transmission lines and substations, has seen fewer incidences of theft, greater collaboration between other utilities and law enforcement agencies, and increased educational opportunities for both recyclers and investigators.

Georgia Transmission, working with its various partners in the utilities industry and law enforcement, was a strong advocate for House Bill 872, which overhauled the existing framework of metals theft laws last year.

“The legislation, coupled with a host of other efforts we’ve undertaken with our partners, has resulted in a dramatic drop in theft at our substations,” said Mike Smith, president and CEO of Georgia Transmission. “We take metals theft seriously because it’s a major safety issue for our employees, and this legislation has given law enforcement and our investigators additional resources needed to protect our employees.”

Among the significant changes to the state’s existing laws, recyclers are now required to take a photograph of the seller and the scrap metal being sold, photocopy the seller’s driver’s license and record the seller’s vehicle tag number. The new law also requires sellers to sign a sworn affidavit stating the metal was not stolen.

Georgia Transmission saw a reduction in crimes when the law went into effect. In 2011, the utility reported 127 theft incidents. That number fell to 83 in 2012. A closer look at the data revealed an even more stark drop with the organization reporting 60 incidents of metals theft from July through December 2011, but only 26 during the same time frame a year later with the enhanced laws in place. That trend has continued through 2013, with only 24 incidents reported from January through April of this year, compared to 49 in January through April of 2012.

"Overall, the 2012 legislation, coupled with aggressive investigation and prosecution efforts, has made a positive impact for the utility industry in our ongoing battle against metals thefts," said Lee Swann, the lead investigator for Georgia Transmission. "Although we have seen a reduction in metals thefts overall, this will continue to be a priority for Georgia Transmission because every incident of theft can put our employees at risk. It's important we remain vigilant in our efforts to investigate and prosecute in coordination with law enforcement and the courts."

**About Georgia Transmission**

Georgia Transmission, a not-for-profit cooperative owned by 39 Electric Membership Corporations (EMCs), owns more than 3000 miles of high-voltage transmission lines and more than 600 substations. These facilities deliver power to Georgia's EMCs who serve nearly 50 percent of Georgia's population (4.5 million).

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## Ex-worker sentenced in mine copper theft

Posted: Friday, August 07, 2009

FAIRBANKS - A former Pogo Mine employee convicted of stealing more than \$90,000 in copper wire was sentenced to two months in jail.

Simeon Staley, 27, pleaded guilty to second-degree theft earlier this year and was sentenced Wednesday.

He and a co-defendant, Mark Garwood, 45, also were ordered to pay restitution to the mine.

Prosecutor Scott Mattern sought the two-month sentence.

"It started out with them just taking garbage, but the problem is that it's Pogo's garbage and it's up to them what they want to do with it," he said.

Pogo Mine officials became suspicious of Garwood and Staley in March 2008 after wire and other items, such as tires, disappeared over six months.

Authorities said Staley would load the wire and other items onto a semi operated by Garwood.

Garwood, employed with the same trucking company for nearly 20 years, was fired soon after the charges were filed.

Superior Court Judge Randy Olsen said jail time was necessary because of the large amount stolen. He called the theft outrageous.

## Stolen Copper Returned to Co-op

Posted By [Michael W. Kahn](#) On September 23, 2013 @ 3:03 am In [Copper Theft](#) | Comments Disabled

An electric cooperative has its stolen copper wire back, thanks to surveillance video, quick work by law enforcement and a suspect's decision that helped lead police right to him.



[1]

In this still from a surveillance video, the arrow points to a suspected thief with a roll of copper, inside the Berkeley Electric Cooperative truck shed. (Photo By: Berkeley EC)

Berkeley Electric Cooperative had just over 300 pounds of copper stolen from its Moncks Corner, S.C., facility in the early hours of Sept. 6.

"They came in to our property through one of the fences and they went to our truck shed," said Micah Ponce, corporate communications specialist at Berkeley EC. [2] "They went from truck to truck getting copper."

But in the morning, when the theft was discovered, co-op officials and law enforcement were able to pull the surveillance video.

"We did have a videotape of the suspects stealing the copper," Ponce said, noting that Berkeley EC has "full camera coverage."

"There are cameras throughout the entire pole yard area. They cover basically every inch of the pole yard and the truck sheds," Ponce told ECT.coop.

After seeing the tape, authorities went straight to the nearest scrap yard—just four miles south of the co-op's headquarters.

"The clerk remembered somebody acting kind of funny," Ponce said. That man turned out to be Deandre Rochard Weathers, 20.

"The guy had used his real name and real ID, so the police were able to identify him quickly," Ponce said.

The yard said it paid Weathers nearly \$900 for the copper wire, all of which was returned to Berkeley EC.

Weathers surrendered to authorities Sept. 12 and was charged with receiving stolen goods. Police were looking for the second suspect seen on the co-op video.

Berkeley EC is no stranger to copper theft. In April, a suspected copper thief was found dead in a co-op substation, [3] where copper wiring had been cut.

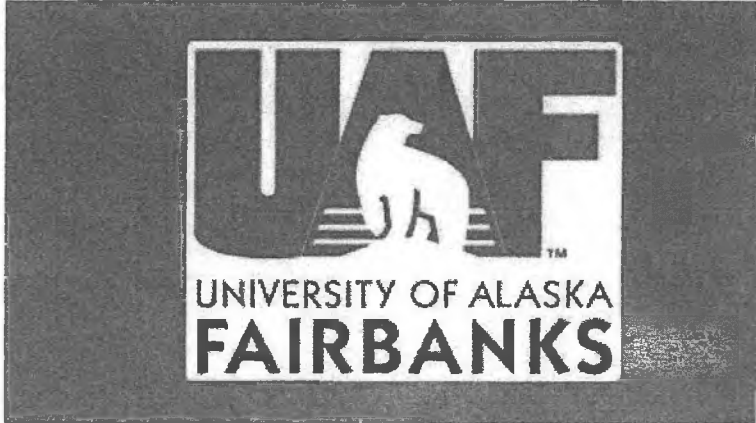
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Article printed from Electric Co-op Today: <http://www.ect.coop>



## Worker Charged in Copper Wire Theft at UAF Site

POSTED: 11:23 AM AKST Jan 16, 2014    UPDATED: 11:23 AM AKST Jan 16, 2014



FAIRBANKS, Alaska -

A 33-year-old construction worker is accused of stealing one ton of copper wire at the University of Alaska Fairbanks.

The Fairbanks Daily News-Miner says Eric Brandon Bailey of Fairbanks was arraigned Tuesday on a charge of second-degree felony theft.

Campus police received a report about the alleged theft last week from a utility tunnel under a dormitory.

A large amount of copper wire was being replaced at a construction site. According to a criminal complaint, the old wire was set to be salvaged for UAF's construction project fund.

Police say Bailey and an unnamed accomplice received \$3,857 from a local scrap yard for the wire.

The accomplice has not been charged.

It's unclear if Bailey has an attorney. He could not immediately be reached for comment Thursday.

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# Second suspect named in UAF scrap copper theft - Fairbanks Daily News-Miner: Local News

Fairbanks Daily News-Miner

## Second suspect named in UAF scrap copper theft

Posted: Sunday, January 19, 2014 12:00 am

**Second suspect named in UAF scrap copper theft** Sam Friedman/sfriedman@newsminer.com

FAIRBANKS — A second suspect has been named in the alleged theft of about one ton of scrap copper from the University of Alaska Fairbanks.

Criminal summons were issued Thursday for James David Joseph Algarin, 26, a contract worker accused of working with an accomplice to sell the metal for \$3,857 at a salvage yard.

A previous court document identified fellow contract worker Eric Brandon Bailey, 33, of Fairbanks, as Algarin's alleged accomplice. The two men were employed on a construction site at the utility corridor beneath the Nerland Hall dormitory where a large quantity of copper wire was being replaced, according to the criminal complaints written by the university police department.

The theft was reported Jan. 7. The replaced wire was cut into 6-foot lengths and was supposed to be salvaged, with the money returned to the university construction project fund. Instead, the men are accused of loading the wire into a Fullard Electric truck and taking it to a home, where later on the same day they allegedly transferred it to a personal vehicle and sold it at C&R Pipe. The men split the money, according to the criminal complaints.

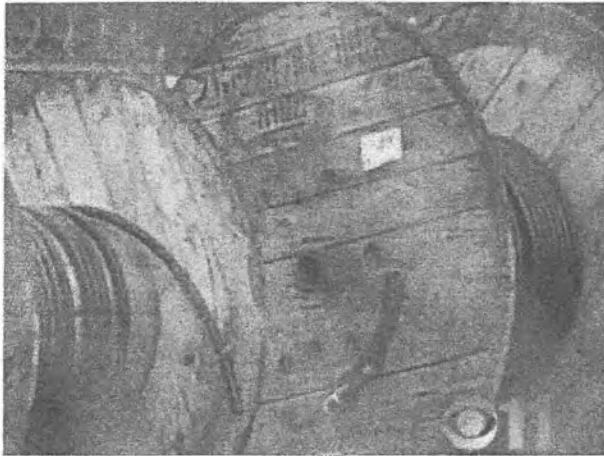
Bailey was arraigned Tuesday, and his \$250 bond also was posted Tuesday, according to online court records. Algarin's first court date is not listed.

Contact staff writer Sam Friedman at 459-7545.



Home

**APD Takes Down Copper Wire Thieves (UPDATE: Escapee caught)**  
Copper wire thieves have stolen more than \$100,000 worth of wire since March  
By Kate McPherson



**UPDATE**, Saturday, August 11 - Anchorage police found and arrested Shawn Rebisch Friday night, according to APD Detective Darren Hernandez. Rebisch had been on the run since July 31 after escaping custody at the Cordova Center.

He's charged with escaping detention which is a Class B Felony.

That charge is on top of the multiple theft and trespass charges. His arraignment is set for Saturday.

**UPDATE** - Shawn Rebisch was in custody at the Cordova Center corrections facility in downtown Anchorage on Tuesday, where he was about to be served the arrest warrant for multiple first-degree theft charges of the copper wire and criminal trespass. Shawn saw the Department of Corrections van and when his name was called, he escaped using an emergency exit door on the first floor. Police are currently looking for him around Anchorage. His brother Michael has been arraigned on the copper wire theft charges and is in custody.

**ANCHORAGE** - Copper wire thieves have hit Anchorage businesses hard this year, stealing more than \$100,000 worth of wire since March. Now, Anchorage police said they believe they've caught the ringleaders.

Michael Rebisch, 45, and Shawn Rebisch, 32, are charged with multiple counts of theft and criminal trespass.

Police said the brothers are the main players in a string of thefts from small and large construction and electrical companies across Anchorage.

Two other people are also charged and police have more suspects being investigated.

Detectives said the motive behind the thefts is most likely drugs, which became evident when they searched some of the suspects' cars.

"We had search warrants to search all three vehicles, and in all three vehicles paraphernalia was found," said APD theft detective Darren Hernandez. "A mass amounts of syringes."

Police said they believe Shawn Rebisch knows how to operate heavy machinery and is skilled in electronics, which helped him break into construction yards.

"With the forklift they can actually lift these large spools of copper wire and lift them up into dump trucks and take them away," said Hernandez.

Hernandez said copper thefts are more prominent in town this year and the scrap metal companies that buy the stolen goods should be more alert.

"If these people are coming in and not represented by a company then most likely it's stolen," said Hernandez.

The president of Anchorage business Raven Electric, Don Lederhos, has worked with the company since 1978. He says the first copper theft he can remember was in 2008 and they've been increasing ever since.

"They cut through that fence, we've replaced that fence probably six or seven times, and that's been quite expensive and they just keep coming back and doing it again," said Lederhos.

The company invested in a higher-level security system, which recently paid off.

"The people were in the yard getting ready to haul the copper out and they were caught red handed," said Lederhos.

*This article originally stated Shawn Rebisch escaped Thursday morning; police clarified he escaped on Tuesday, July 31.*

#### Related Content

- [Thieves Target Valley Coffee Shops](#)
- [Church Members Taken Advantage Of: Vehicles Stolen](#)
- [Police Seek Suspect After Abduction](#)

## 2 charged in scrap metal theft

The Associated Press | Posted: Tuesday, May 7, 2013 8:37 am

KODIAK, Alaska — Two men in Kodiak are accused of stealing scrap metal valued at more than \$5,700.

The Kodiak Daily Mirror (<http://is.gd/hjXdgU>) says 49-year-old Timothy Kimmel and 27-year-old Walter Erickson are each charged with three counts of theft. The two were arrested by Alaska State Troopers in late April.

Authorities say brass valves and copper wire were stolen from Nick's Auto Wrecking Salvage and Metal Recycling. The thefts were reported in March.

The items were tracked to another Kodiak scrap metal dealer.

According to authorities, the dealer said he received the goods from Kimmel and the dealer also identified Erickson as a man who accompanied Kimmel.

Court-appointed attorneys for the men could not immediately be reached for comment Monday afternoon.

## Two more arrested in MTA theft

Pair of suspects found on ferry; authorities still seeking another

BY ANDREW WELLNER  
Frontiersman | Updated Dec 7, 2011

**PALMER** — Though the ship was loaded with state legislators on the way to Juneau, it was two other passengers who got the most attention.

Juneau police, working with their colleagues in Palmer, agreed to meet the ferry Tustumena at the dock.

According to a Juneau Police Department press release, at high noon on Saturday officers went to the ship and arrested Robert Stevens, 43, of Oregon, and Robert Ristick, 40, of Washington, both on \$100,000 warrants.

The Juneau press release is decidedly brief. To get to the heart of why Stevens and Ristick were arrested, you have to talk to Palmer Police Department Detective Sgt. Kelly Turney.

Turney said the two men were tied up in a case that has been occupying most of his time over the past week — the theft of \$114,500 in copper wire from the Matanuska Telephone Association in Palmer.

Turney said Ristick, Stevens, and a third man, Jeff Davis, had been traveling around the state buying scrap metal. Davis is still at large, Turney said. He also said he didn't know if Davis was still in Alaska.

"He didn't get on the boat with them in Kodiak," Turney said.

Turney believes that before and after the theft in Palmer, the three men were traveling around the state looking for scrap. He said he knew they'd been to Fairbanks, North Pole, Kodiak, Valdez and Anchorage.

"I know they've been in those areas. Now, I'm not saying that every time they've gone out they have purchased scrap illegally," Turney said.

And, he said, his main focus is to nail down all the details of the theft in Palmer, although that doesn't mean there isn't a lot of work to do.

"You just want to make sure you cover all the bases so you give a good case (to the district attorney)," Turney said.

The arrest of Stevens and Ristick brings the total number of arrests in the case to three.

The first person arrested, Howard Tresham, is a 25-year employee of MTA. Police say they have charged him with the current theft and with a previous one in December.

The current theft saw eight reels of heavy-duty cable — about 30,000 feet worth — go missing from the lot. It was recovered in Anchorage where it was due to be shipped out of state. The December theft involved half that much material, which hasn't been recovered.

Turney said the eight reels of wire went missing Jan. 9. The driver who'd been called to pick up the cable in Palmer and take it to Anchorage picked Tresham out of a group of photos as the person who had let him into the lot that day.

The plan, as far as police can discern it, was to ship the cable to Washington, then sell it as scrap. Turney said he recovered most of the \$5,000 that Tresham was paid for the cable.

As for the arrests in Juneau, Turney said he wouldn't have been able to do it without help from the various agencies around the state. He said he would call officers at the relevant departments and within five minutes someone would be out on the streets, asking questions and relaying the information back to him.

Juneau, he said, called in an investigator to interview Ristick and Stevens even though it was a weekend.

"I can't thank Juneau PD and Kodiak PD, the (Alaska State) Troopers and state ferry officials enough," Turney said. "I can't be all of those places."

As for who else was on the ferry, Turney confirmed the Tustumena was bringing a load of state legislators and their vehicles to the capitol for the start of this year's legislative session. Of course, that fact doesn't really figure in to his case.

"It's just kind of an interesting twist," he said.

Contact Andrew Wellner at [andrew.wellner@frontiersman.com](mailto:andrew.wellner@frontiersman.com) or 352-2270.

## We Recommend

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# Alaska Dispatch

News and voices from the Last Frontier

Published on *Alaska Dispatch* (<http://www.alaskadispatch.com>)

Home > Big copper theft at site of new state crime lab

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Alaska Dispatch

January 19, 2011

Main Image Caption:

Big copper theft at site of new state crime lab

According to [KTVA \[1\]](#)-TV a big stack of large-diameter copper tubing was recently stolen from the construction site of what will become the state's new crime lab. Authorities say the valuable construction material had to have been stolen by people with access to equipment heavy enough to lift the booty, and they're asking for help to track down the thieves and locate the piping. Options to unload the stolen goods are few, say authorities. Aside from being sold for scrap, the piping could also wind up at another construction site, they say. Watch the report, and see the widest copper pipe you may have ever seen, [here \[1\]](#). It's unclear how this theft may affect the final cost of the new lab, but Alaska Beat doubts last year's critics of the lab's estimated cost were taking theft into account — perhaps because the site of the new lab sits between the Tudor Road headquarters of the Anchorage Police Department and the Alaska State Troopers.

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**Source URL:** <http://www.alaskadispatch.com/article/big-copper-theft-site-new-state-crime-lab>

**Links:**

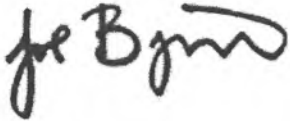
[1] [http://www.ktva.com/local/ci\\_17131183](http://www.ktva.com/local/ci_17131183)

## Doniece Gott

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**From:** Sen. Pete Kelly  
**Sent:** Thursday, March 27, 2014 1:45 PM  
**To:** Senate Finance Committee  
**Subject:** FW: CSSB28(RES)

Public testimony



Joe Byrnes  
Staff for Senator Pete Kelly  
907-456-3709



**From:** Jack Phelps [<mailto:jack.phelps68@gmail.com>]  
**Sent:** Thursday, March 27, 2014 09:59  
**To:** Sen. Pete Kelly; [Sen.Kevin.Myer@akleg.gov](mailto:Sen.Kevin.Myer@akleg.gov); Sen. Mike Dunleavy; Sen. Click Bishop; Sen. Anna Fairclough; Sen. Donny Olson; Sen. Lyman Hoffman; Sen. Charlie Huggins; Rep. Shelley Hughes; Rep. Lynn Gattis; Rep. Wes Keller; Rep. Mark Neuman; Rep. Bill Stoltze  
**Subject:** CSSB28(RES)

Members of Senate Finance and the Valley delegation:

As many of you know, I served as Executive Director of the Alaska Forest Association from 1996-2001. I also worked for the State House in the early 1990s and during that time wrote several key amendments to the forest management portions of the Alaska statutes that were adopted by the legislature and signed into law by Governors Hickel and Knowles. I was one of the principal authors of what is now AS 38.05.118. Subsequently, I was Special Assistant for Natural Resources for Governor Murkowski, and later served as Project Manager for Forest Products at the Department of Commerce under Governors Murkowski, Palin and Parnell, until my retirement in 2010.

I write to you today concerning CSSB28(RES), a bill to establish a State Forest in the MatSu under AS 41.17, and to amend various timber sale provisions in Title 38. The sorts of changes proposed in this legislation are consistent with the efforts I made during my time of State service and with Alaska's forest products industry. They will encourage and enable the growth of the industry as a key component of Alaska's economic health and vitality.

As a man with decades of experience in forest products manufacture and timber management, I believe the passage of CSSB28(RES) is in the best interests of our great state, and I urge your support for this effort. Please pass this bill out of committee promptly and give your support to its passage on the floor.

Thank you for your consideration of my opinion.

Sincerely,

Jack E. Phelps

Palmer, Alaska



**Randy Virgin**  
General Manager, Anchorage  
RockTenn Recycling

March 28, 2014

The Honorable Pete Kelly  
Co-Chair, Senate Finance Committee  
State Capitol Room 516  
Juneau AK 99801

Dear Senator Kelly:

I am writing to express my support of HB 305, "An Act repealing the requirement that a junk dealer or metal scrapper obtain a license," and the House Finance committee amendment regarding scrap metal dealer record requirements.

RockTenn is one of North America's leading integrated manufacturers of corrugated and consumer packaging and recycling solutions, with domestic operations across 37 states. In Alaska, we have one recycling facility that employs a dozen people. Our Anchorage operations include a scrap metal yard, in addition to the sorting and baling of various types of commercial and residential recyclables.

Alaska is one of the last states in the nation to enact legislation that attempts to restrict sales of stolen scrap metal. At RockTenn, we are committed to combatting these thefts, and we strive to avoid any transactions that are not legitimate. We support the intent of the legislation and share your hope that it will reduce incidence of theft.

We currently maintain detailed records of each purchase, including much of the information required by the proposed legislation. We expect to be able to comply with the proposal without significant impact to our business.

I commend the sponsors for consulting with dealers like us and incorporating our input into the proposed amendment. The result is a set of requirements that will impede less scrupulous dealers without creating an unreasonable burden for honest businesses. Please do not hesitate to contact me if you have any questions or concerns.

Respectfully,

A handwritten signature in black ink, appearing to read 'Randy Virgin', written over a printed name.

Randy Virgin

March 28, 2014

Senator Pete Kelly  
Co-Chair, Senate Finance Committee  
State Capitol Room 516  
Juneau, AK 99801

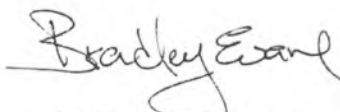
Dear Co-Chair Kelly:

Chugach Electric Association supports CSHB 305: legislation to address metals theft. Thieves often target copper at utility facilities. Metals theft is a problem for utilities nationwide, and also in Alaska. For an electric utility, the theft of copper from our facilities is not only costly but dangerous as well.

In the summer of 2013, thieves cut the fence to gain access to Chugach's Daves Creek Substation near Cooper Landing. They then cut and removed copper ground wires that provide protection for both utility workers and members of the public. Repair and replacement cost Chugach members \$9,200, and led to an 80-minute outage for customers in Cooper Landing and Moose Pass.

Representatives of contractors, utilities and scrap dealers have worked together on legislation to address this problem. Chugach appreciates the Senate Finance Committee's attention to CSHB 305. We support its passage.

Sincerely,



Bradley W. Evans  
Chief Executive Officer



Alaska Power Association  
703 West Tudor Road, Suite 200  
Anchorage, Alaska 99503-6650  
907-771-5700  
Fax: 907-561-5547  
[www.alaskapower.org](http://www.alaskapower.org)

March 28, 2014

Senator Pete Kelly  
Co-Chair, Senate Finance Committee  
State Capitol, Room 516  
Juneau, AK 99801

Subject: Support for the Committee Substitute of House Bill 305

Dear Senator Kelly:

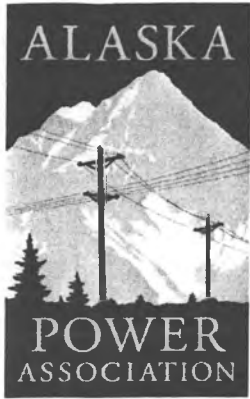
Alaska Power Association (APA) supports the passage of the Committee Substitute of House Bill 305. Alaska Power Association is a statewide trade association that represents the electric utilities that supply power to Alaskans from Barrow to Unalaska, through the Interior and Southcentral, and down the Inside Passage.

Metals theft is on the rise nationwide and Alaska businesses, organizations and utilities are being adversely impacted by the increase in price for metals such as copper. Specifically, the Alaska electric utility industry has experienced several thefts in the last few years that have caused significant damage to electrical equipment, power outages during repairs, and unnecessary costs to customers.

In closing, we urge the Committee to approve the Committee Substitute of House Bill 305 and move the bill. Do not hesitate to contact me at 907-771-5703 or [meland@alaskapower.org](mailto:meland@alaskapower.org) if you have questions.

Sincerely,

Marilyn Leland  
Executive Director



# ALASKA POWER ASSOCIATION R E S O L U T I O N

## A Resolution Urging the Legislature to Support Legislation to Address Metals Theft (14-11)

The theft of metals and subsequent sale as scrap is a growing problem across the nation and for Alaska utilities and contractors. These metal thefts result in power outages, lost productivity and needless expenses to all electrical customers. Further, the theft of ground wires creates dangerous conditions for workers and the public.

Many states have enacted laws to allow legal scrap metal recycling while minimizing metal theft by requiring identification of all customers, trackable payments, and between two and seven years of recordkeeping of all businesses purchasing scrap metal.

Alaska Power Association urges the Alaska State Legislature to support legislation to address metals theft.

(Adopted Dec. 2013)

### Association Members

Alaska Electric and Energy Co-op  
Alaska Electric Light & Power  
Alaska Power & Telephone  
Alaska Village Electric Cooperative  
Anchorage Municipal Light & Power  
Aurora Energy  
Barrow Utilities & Electric Co-op  
Chugach Electric Association  
Copper Valley Electric Association  
Copper Valley Telephone Co-op  
Cordova Electric Cooperative  
Doyon Utilities  
Golden Valley Electric Association  
Homer Electric Association  
INN Electric Cooperative  
Inside Passage Electric Co-op  
Kodiak Electric Association  
Kotzebue Electric Association  
Kwaan Electric Transmission  
Intertie Cooperative  
Matanuska Electric Association  
McGrath Light and Power  
Metlakatla Power & Light  
Middle Kuskokwim Electric Co-op  
Naknek Electric Association  
Nome Joint Utility System  
North Slope Borough  
Nushagak Cooperative  
OTZ Telephone Cooperative  
Southeast Alaska Power Agency  
Tanalian Electric Cooperative  
Tanana Power Company  
TDX Power  
Unalakleet Valley Electric Co-op  
Yakutat Power

### Anchorage office

703 W. Tudor Road,  
Suite 200  
Anchorage, Alaska  
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907-771-5700  
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### Juneau office

302C Assembly  
Building  
211 Fourth Street  
Juneau, Alaska 99801  
907-463-3636

[alaskapower.org](http://alaskapower.org)



March 18, 2014

Representative Bill Stoltze  
Chairman, House Finance Committee  
State Capitol, Room 515  
Juneau, Alaska 99801

RE: CS for HB305

Dear Chairman Stoltze:

Over the years, the Alaska Railroad has been a victim of metal theft and we support legislative efforts to address and reduce metal theft in Alaska.

In a recent case, we were only able to track down the perpetrators of multiple thefts of Alaska Railroad property because we had them on video during the theft and they used the same truck to transport the stolen metal to a local scrap dealer that they had used to steal the metal. Thefts that occur in smaller amounts that can be taken out by hand or without a motorized vehicle are even harder for us to track. One sad fact about this kind of theft is that it can cost businesses tens of thousands of dollars to replace the stolen metal and the perpetrators stand to receive only a few hundred dollars for the value of the metal as scrap.

Requiring legitimate metal dealers to keep a sufficient amount of information along with increased enforcement by police will make it easier to prosecute those that are dealing in stolen products.

Thank you,

Bill O'Leary  
President & CEO

## Alaska Telephone Association

**Michael Garrett**  
President

201 E. 56th, Suite 114  
Anchorage, AK 99518  
(907) 563-4000  
FAX (907) 562-3776  
[www.alaskatel.org](http://www.alaskatel.org)

**James Rowe**  
Executive Director  
[jrowe@alaskatel.org](mailto:jrowe@alaskatel.org)

January 21, 2014

### **A Resolution in Support of Legislation to Address Metals Theft**

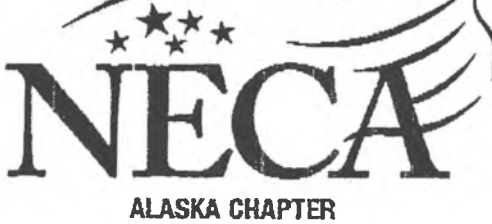
The theft of metals and subsequent sale as scrap is a growing problem across the nation and for Alaskan utilities and contractors. These metal thefts result in higher costs to customers, lost productivity and can create dangerous conditions for employees and the public.

Many states have enacted laws to permit scrap metal recycling while reducing metal theft by requiring identification of customers, making payments trackable, and requiring record-keeping by all businesses purchasing scrap metal.

The Alaska Telephone Association encourages the Alaska State Legislature to pass legislation to address metals theft.

For additional information, contact Jim Rowe, Executive Director.

Serving Alaska Since Before Statehood



March 27, 2014

The Hon. Mike Chenault  
Speaker of the House of Representatives  
FAX: 907-465-2833  
[Rep.Mike.Chenault@akleg.gov](mailto:Rep.Mike.Chenault@akleg.gov)

My name is Larry Bell, and I am the Executive Manager of the National Electrical Contractors Association, Alaska Chapter (NECA, Alaska Chapter). The Alaska Chapter of NECA has been serving the electrical construction industry in Alaska since before statehood, with members operating from Southeast Alaska to the North Slope of our great state. I personally have been in the construction business in Alaska for over 25 years, as my father before me was.

I am writing today to acknowledge passage by the House of Representatives of CS HB 305 (FIN) Junk Dealer & Metal Scrapper Licensing. As you can imagine, our members' construction sites and facilities are often targets of copper theft, resulting in not only significant cost of materials, but cost of project delays.

We believe the record keeping requirements on the sale of scrap metal including basic information of the transaction and the name, address, telephone number, driver's license number, auto description and picture of the government-issued identification document along with the requirement of a signed statement that the metal is not stolen will provide law enforcement with better tools and result in increased success on investigations and prosecution of thieves

Thank you for sponsoring this piece of legislation that will undoubtedly help utilities, contractors and scrap metal dealers deter metal theft in Alaska.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Larry Bell", is written over the typed name.

Larry Bell  
Executive Manager  
NECA, AK Chapter

712 West 36th Avenue • Anchorage, Alaska 99503  
(907) 561-1958 • Fax (907) 561-8633



**ASSOCIATED GENERAL CONTRACTORS of ALASKA**

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8005 SCHOON STREET, SUITE 100 • ANCHORAGE, ALASKA 99518  
TELEPHONE (907) 561-5354 • FAX (907) 562-6118

March 12, 2014

Representative Bill Stoltze  
Chairman, House Finance Committee  
State Capitol, Room 515  
Juneau AK, 99801

RE: CS for HB305

Dear Chairman Stoltze *Bill*

The Associated General Contractors of Alaska (AGC) is a trade association representing over 650 Alaskan businesses in the construction industry. On behalf of the AGC, I would like to thank you and Speaker Chenault for your work on Committee Substitute for HB 305 addressing the significant issue of metal theft in Alaska.

Like much of the nation, metal thefts are often drug related, and high metal prices have made the theft of copper and other metals more predominant. Construction sites and electric utility facilities are easy targets and the damages are often exponentially higher than the actual value of the metal stolen. With the present lack of any specific regulation, it is difficult to connect the thieves with the theft.

After a couple of very expensive copper wire thefts last fall, we began looking into what could be done to reduce the theft. We engaged the other stakeholders in this issue – electric utilities, scrap dealers and law enforcement. It was not our goal to create new licensing requirements or expansive programs which overly burden business or increase the work load or cost to the State. In fact our effort was to craft a program that would not burden business, but burden the thieves.

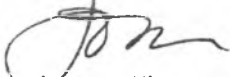
Looking into what the other states do, we learned that Alaska was the only state with no regulation on the sale of scrap metals and the problem is addressed in 49 different ways. There are a number of effective elements in other states legislation. The stakeholders agreed the optimum approach included some minimal recordkeeping requirements on the sale of scrap metal to assist law enforcement. Specifically, this would require all scrap metal dealers to collect information from the seller including their name and contact information, identification to verify the individual, and a basic

description including weight and quantity of the metal being sold. In addition, this would require the seller to provide a statement that the metal they are selling is not stolen. Consistent with our goal of not creating an overly burdensome requirement this would exempt individuals with an existing business relationship, such as frequent sellers, from the record keeping and signed statement requirements. These individual need only have the documents on file.

We understand a new law will not eliminate metal theft or force individuals operating outside the law to now comply. As long as metal prices and illicit drug prices are high, there will be theft. However, we have seen that helping law enforcement with additional tools does make a difference – legislation like this has been shown to reduce theft. By requiring a consistent and minimum amount of information on the sale of scrap metal and by making the failure to comply with the record keeping requirements a criminal penalty, we believe Alaska will be better equipped to catch the thieves and reduce the opportunities for them to move stolen products.

Again, thank you for your efforts on CS HB305 and we encourage you and all your colleagues to enact the legislation as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "John MacKinnon", written over a faint circular stamp or watermark.

John MacKinnon, Executive Director  
Associated General Contractors of Alaska